<div align="center">**REMARKS/ARGUMENTS**</div>

Claims 1-9, 12, 15-25, 27, 28-30, 32-42, 44, 47-61, and 63-64 are pending. The Office

Action rejects claims 34-40, 43, 55-58, and 61-64 under 35 U.S.C. §102(b) as unpatentable over

Herbert (U.S. Pub. 2002/0087493), rejects claims 1-7, 22-25, 27, and 30-33 under 35 U.S.C.

§103(a) as unpatentable over Herbert in view of Zhao (U.S. Pat. 6,487,301), and rejects claims 8,

9, 28, and 29 under §103(a) as unpatentable over Herbert in view of various combinations of

Zhao, Manico (U.S. Pat. 6,259,369), and Calonje (U.S. Pub. 2004/0050919). These rejections

are respectfully traversed.

35 U.S.C. §102 Rejections

Claims 34-40, 43, 55-58, and 61-64 stand rejected as anticipated by Herbert. To

anticipate a claim, a reference must disclose each and every feature set forth in the claim, in as

complete detail and in the same arrangement as recited in the claim. M.P.E.P. §2131. Claim 34

recites, in relevant part:

> a validation unit for validating a postage imprint associated with a mail
> item…**the mail item bearing sensitive information** and

> a sorting unit for separating the spoiled mail item from the mail item
> stream, with the postage imprint of the spoiled mail item being presented
> for authentication by a postage service, so that **the sensitive information
> is not readable by the postage service**.

The Office Action asserts that Herbert's cryptographic token bears sensitive information

because it is encrypted. However, Herbert specifically indicates that a postal authority can

decrypt the cryptographic token and, therefore, read the encrypted information. ¶ 0035. That is,

both the plain text and cryptographic token are readable by the postal authority. Thus, even if

Herbert's indicium is correctly interpreted as including sensitive information, which Applicants

do not concede, any such information is readable by the postal authority. For at least this reason,

Herbert fails to anticipate the claimed features.

Further, the rejection appears to be based on an incorrect inherency analysis. The Office

Action asserts that "the purpose of encryption is to exclude others from reading sensitive

information" and, based on this presumption, asserts that Herbert's cryptographic token bears

sensitive information. *See* Office Action, p. 2. However, to establish inherency, the record must

show that the alleged inherent feature is *necessarily present* in the cited art; the fact that a certain

characteristic *may* be present is insufficient. *See* M.P.E.P. §2112, Part IV. (citing *In re Rijckaert*,

9 F.3d 1531, 1534, 28 USPQ2d 1955, 1957 (Fed. Cir. 1993), *re Oelrich*, 666 F.2d 578, 581-82,

212 USPQ 323, 326 (CCPA 1981)).

       To support the Office Action's analysis, Herbert's cryptographic token would *necessarily*

have to include sensitive information that is protected by the encryption. However, Herbert

indicates that the cryptographic token is merely used to authenticate a plain text message:

> **The cryptographic token provides authentication of the plain text in
> the postage indicium** whereby the veracity of the postage indicium may
> be verified by a postal authority. The enabling information includes an
> identification of the PSD and may include a public cryptographic key
> associated with the PSD for use in the verification procedure.

¶ 0035 (emphasis added). Thus, any cryptography used in Herbert is not *necessarily* used to

conceal sensitive information. This is further evidenced by Herbert's indication that the plain

text portion of the indicium can include information enabling decryption of the token:

> **The plain text message includes** at least the postage charge for the mail
> item and enabling **information to enable either decryption of the
> cryptographic token** where a reversible encryption and decryption
> process is used or verification of the cryptographic token where the
> cryptographic token comprises a digital signature....**The enabling
> information** includes an identification of the PSD and **may include a
> public cryptographic key** associated with the PSD for use in the
> verification procedure.

¶ 0035 (emphasis added). In Herbert's system, the cryptographic token may be encrypted with

the PSD's private key, and the corresponding public key provided in the plain text portion of the

indicium. To verify the authenticity of the indicium, the public key is used to decrypt the

indicium. Since the decryption key is provided in the plain text message, the cryptographic

token may be decrypted by *anyone* with access to the plain text message. Thus, Herbert suggests

that cryptography is used merely for authentication, *not* to protect sensitive information as

suggested by the Office Action. Herbert's cryptographic token does not necessarily contain or

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protect sensitive information, and the Office Action fails to meet the burden required to show inherency.

For at least these reasons, Herbert fails to disclose a mail piece bearing sensitive information as required by claim 34, and for at least this reason does not anticipate the claim. The dependent claims rejected under §102 are allowable for at least the same reasons as claim 34, and withdrawal of the rejections is respectfully requested.

35 U.S.C. §103 Rejections

The other cited references fail to remedy the defects of Herbert identified above. Specifically, Zhao, Manico and Calonje all fail to disclose or suggest at least a mail piece bearing sensitive information and sensitive information that is not readable by a postage service as required by the claims. Therefore, for at least the reasons described above, claims 1-9, 22-25, 27-29 and 30-33 are not obvious over the cited art, and withdrawal of the rejections is respectfully requested.

Interview Summary

Applicants thank the Examiner for the courtesy extended to the undersigned representative during the telephonic interview conducted on May 20, 2008. The interview summary as set forth in M.P.E.P. §713.04 is provided below.

(A)   No exhibits or demonstrations were shown or conducted.

(B)   Claims 1 and 34 and proposed claims 65-68 were discussed. The proposed claims have been replaced by amendments to the current claims as shown herein.

(C)   Herbert (U.S. 2002/0087493) was discussed.

(D)   Amendments as presented herein were discussed.

(E)   Applicants' representative argued that Herbert does not disclose a mail item bearing sensitive information.

(F)   No other pertinent matters were discussed.

(G)   The Examiner agreed to consider amendments and arguments as discussed.

(H)   The interview was not conducted via e-mail.

It is respectfully noted that the Interview Summary mailed May 28, 2008, incorrectly identifies Martin E. Miller as attending the interview. The interview was attended by Examiners Merlin Brito Peguero and Uyen-Chau Le, and Aaron Kamlay (undersigned).

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000. The Commissioner is authorized to charge any fees due or credit any overpayment to the deposit account of Townsend and Townsend and Crew LLP, Deposit Account No. 20-1430.

Respectfully submitted,

  /ASKamlay/
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Date: June 20, 2008

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